

## **Hamilton County**

## Estimated Economic Contribution of Agriculture, Food, and Food Processing Sectors 6/26/2019

Using the most recent IMPLAN data available (2017) adjusted for 2019, 11 agriculture, food, and food processing sectors were analyzed to determine their overall contribution to the Hamilton County economy.<sup>1</sup>

These 11 sectors have a total direct output of approximately **\$287.7 million** and support **699 jobs** in Hamilton County. Running the model for all 11 sectors simultaneously produces the following results:

Agriculture, Food, and Food Processing Sector Contribution to Overall Hamilton County Economy							
Contribution Type <sup>2</sup>	Employment	% Employment	Total Value Added <sup>3</sup>	Total Value Added % of Gross Regional Product <sup>4</sup>	Output <sup>5</sup>		
Direct Effect	699.0	39.25%	\$87,255,637	59.74%	\$287,661,220		
Indirect Effect	197.3	11.08%	\$13,799,615	9.45%	\$29,711,583		
Induced Effect	143.2	8.04%	\$9,131,469	6.25%	\$18,140,675		
Total Effect	1039.6	58.37%	\$110,186,721	75.43%	\$335,513,479		

As shown in the above table, agriculture, food, and food processing sectors support 1,040 jobs, or 58.37% of the entire workforce in the county.

Another metric used to calculate the importance of sectors in an economy is their value added as a percentage of GRP. Total value added by the 11 agriculture, food, and food processing sectors is approximately \$110.2 million, or 75.43% of the GRP.

The following tables document the top industries affected by employment and output, as well as a listing of all industries that were analyzed.

1 Article on building a contribution analysis in IMPLAN that avoids double counting: https://implanhelp.zendesk.com/hc/en-us/articles/115002801513-Considerations-of-Contribution-Analysis

2 Direct, indirect, and induced effects sum together to estimate the total economic contribution in the state. **Direct effects** capture the contribution from agricultural and food products. **Indirect effects** capture the economic benefit from farms and agricultural businesses purchasing inputs from supporting industries within the state. **Induced effects** capture the benefits created when employees of farms, agricultural businesses, and the supporting industries spend their wages on goods and services within the state.

- 3 Value added = labor income + indirect business taxes + other property type income.
- 4 GRP = final demand of households + governments expenditures + capital + exports imports institutional sales.
- 5 Output = intermediate inputs + value added.

In the top ten agriculture, food, and food processing sectors by employment, the beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming sector is the top employer with **302 employees**. This table also shows the amount of jobs that are created by the agriculture industry in Hamilton County.

Top Ten Agriculture, Food, and Food Processing Sectors by Employment				
Sector	Total Employment	Total Output		
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	301.9	\$96,466,799		
Dairy cattle and milk production	249.7	\$144,063,571		
Wholesale trade	81.7	\$14,360,035		
Support activities for agriculture and forestry	70.4	\$4,000,881		
Grain farming	37.7	\$35,285,683		
All other crop farming	32.2	\$6,293,123		
Monetary authorities and depository credit intermediation	27.3	\$5,150,766		
Truck transportation	19.1	\$2,811,840		
Real estate	14.2	\$888,829		
Securities and commodity contracts intermediation and brokerage	10.8	\$1,676,122		

The dairy cattle and milk production sector directly contributes approximately **\$249.7 million** to the Hamilton County economy. The table below also shows the amount of revenue that is generated in other industries by having a strong agriculture industry.

Top Ten Agriculture, Food, and Food Processing Sectors by Output				
Sector	Total Employment	Total Output		
Dairy cattle and milk production	249.7	\$144,063,571		
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	301.9	\$96,466,799		
Grain farming	37.7	\$35,285,683		
Wholesale trade	81.7	\$14,360,035		
All other crop farming	32.2	\$6,293,123		
Monetary authorities and depository credit intermediation	27.3	\$5,150,766		
Owner-occupied dwellings	0.0	\$4,897,128		
Support activities for agriculture and forestry	70.4	\$4,000,881		
Truck transportation	19.1	\$2,811,840		
Securities and commodity contracts intermediation and brokerage	10.8	\$1,676,122		

Below is a summary of all agriculture data with employment levels and output level. These values can tell how many jobs are represented by each agriculture, food, and food processing sector and the output they contributed to the Hamilton County economy.

All Agriculture, Food, and Food Processing Sectors				
Sector	Total Employment	Total Output		
Oilseed farming	0.0	\$103,879.40		
Grain farming	37.7	\$35,285,682.68		
All other crop farming	32.2	\$6,293,122.77		
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	301.9	\$96,466,796.88		
Dairy cattle and milk production	249.7	\$144,063,568.12		
Poultry and egg production	0.2	\$314,374.86		
Animal production, except cattle and poultry and eggs	1.1	\$298,731.98		
Support activities for agriculture and forestry	70.4	\$4,000,880.72		
Bread and bakery product, except frozen, manufacturing	2.2	\$221,859.47		
Farm machinery and equipment manufacturing	1.4	\$424,205.60		
Landscape and horticultural services	2.1	\$188,112.36		

All 105 counties in Kansas have an IMPLAN model and an agriculture, food, and food processing contribution summary. These values do not factor in the retail environment of food sales. Food retail is important, but in order to provide the most accurate picture of what production agricultural and processing contributes to Hamilton County, the retail sector was omitted.